

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: August 2, 2010
POSITION: Neutral

BILL NUMBER: SB 993
AUTHOR: B. Huff

BILL SUMMARY: State Highway Route 66: Relinquishment

This bill would allow the California Transportation Commission (CTC) to relinquish to the City of Claremont the portion of State Highway Route 66 (SR 66) within its city limits upon terms and conditions the CTC finds to be in the best interest of the state. The relinquished portion of SR 66 would cease to be part of the state highway system. This bill would also revise the description of SR 66 to indicate portions of the route that have been relinquished, or have been authorized to be relinquished.

FISCAL SUMMARY

This bill would likely result in one-time costs for the Department of Transportation (Caltrans) to bring this section of road into a state of good repair. These costs would depend on the terms of any final agreement between the city and Caltrans. No agreement has been reached yet regarding these one-time costs, but this bill would not require Caltrans to go through with this relinquishment if favorable terms are not reached.

This bill would result in a long-term savings to Caltrans for decreased maintenance workload. Caltrans has not yet identified the level of savings in maintenance and rehabilitation costs that would result from this section of road being relinquished.

SUMMARY OF CHANGES

Amendments to this bill since our analysis of the original version do not alter our position. This bill, as amended August 2, 2010, would revise the description of SR 66 to indicate portions of the route that have been relinquished, or have been authorized to be relinquished.

COMMENTS

The Department of Finance has identified no fiscal or policy concerns with this bill. Relinquishments of portions of the state highway system to local jurisdictions are common and this bill would result in a savings for Caltrans by reducing maintenance costs over the long term.

Current law authorizes the CTC to relinquish certain state highway segments to local agencies provided Caltrans brings them into a state of good repair prior to relinquishing them. Relinquishments of portions of the state highway system to local jurisdictions are common and these relinquishments would result in savings for Caltrans by reducing ongoing maintenance costs. Cities and counties often want to take ownership because they believe they can do a better job of maintaining the section of road. Caltrans annually sets aside \$12 million of State Highway Operations and Protection Plan funding to fund the rehabilitation necessary for relinquishments.

Portions of SR 66 within the city limits of the cities of Fontana, Rancho Cucamonga, and Upland have been relinquished by the CTC to the respective cities. Current law authorizes the CTC to relinquish to the City of Rialto the portion of SR 66 within its city limits upon terms and conditions the CTC finds to be in the best interest.

Analyst/Principal (0751) M. Tollefson	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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BILL NUMBER

SB 993

		SO	(Fiscal Impact by Fiscal Year)							
Code/Department		LA	(Dollars in Thousands)							
Agency or Revenue		CO	PROP							Fund
Type		RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013	Code
2660/Caltrans		SO	No	----- See Fiscal Summary -----						0042
<u>Fund Code</u>	<u>Title</u>									
0042	Highway Account, State, STF									